



Analysis of Economic Social Impact of Industrial Estate Toward Local Communities

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ABSTRACT

The development of industrial zones in the region will have an impact for the area, particularly for the people. The impact area of industry not only in economic, but also social aspects. Therefore the aim of this study was to determine the development aspects of the economy in the period 1981 - 2015 in Bekasi District associated with the development of industrial zones and to determine the development of the social aspect in the period 1981 - 2015 in Bekasi District associated with the development of industrial estates. This research used secondary data from Bekasi District data from 1981 - 2015. The data obtained will be analyzed to see the trend of time series data and to see the changes that occur before and after the existence of an industrial area. Bekasi District election as a study by the consideration that in this district there are many industrial areas (there are seven industrial zones). The development of the economic aspects of labor seen working and not working, harvested area and production of rice, the GDP, export-import and the growing amount of companies. Social aspect seen growing amount of housing, population growth, the development of a number of schools. Increasing the number of companies in the industry is a provider of employment that should be able to absorb the labor force in Bekasi District. However, from the number of jobs available is not able to absorb all workers coming from Bekasi District, jobs are filled by manpower from outside the Bekasi District. Import-export developments showed that the export activity showed a decline but import activity remained stable at a low level. Overall economic indicators shown by the GDP showed a significant increase. Social conditions indicated by fluctuations in the number of inhabitants but the construction of houses is increasing and needs education facilities has also increased.

KEYWORDS

industrial area, impacts, economic aspects, social aspects

1. INTRODUCTION

Industrial estate development is one of the strategies the government in an effort to accelerate the development of the State's economy. The industrial area is the approach used to unite the industry in a certain area. This union with the aim of environmental management and utilization of support facilities can be shared by the industries located in the industrial area. The development of this industrial area will certainly affect the condition of the people around the area. People who previously occupied the site area of the industrial estate displaced elsewhere after receiving the compensation agreed. Many of the changes that occur in a society that previously generally farmers or doing business in the agricultural sector, which use the land as a factor of production that big role, into a society that must have a low dependence on the soil or land. Social problems this will certainly affect the economic condition of the community. Other issues that the industry is trying in an industrial area in need of workers who meet certain criteria of education and skills. People who strive in the agricultural sector is, in general have low levels of education and does not meet the criteria for a given industrial sector. In Figure 1 shows that from 1985 to 2013 continued to increase in the magnitude of differences in labor can be absorbed. Increased labor force increasing from year to year can not be absorbed in Bekasi District. In fact, if viewed GDP (Gross Domestic Product) Bekasi District during the period has increased continuously (Figure 2).

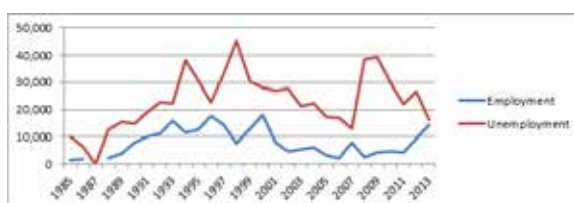


Figure 1. Population of Working and Non Working from Year 1985 – 2013

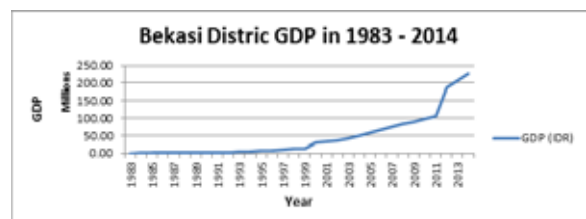


Figure 2. GDP According to Current Price Bekasi Regency Year 1983 - 2013

From the two figures shows that the economic improvement that occurred in Bekasi District is determined by the fulfillment of labor from outside the district. Therefore, a fundamental question arises, whether the benefits of the region where this industry can be enjoyed by the public at the site of the industrial area or would it be enjoyed by people outside the region. Changes in land use from agriculture into use for the industrial sector, in this case into an industrial area cause various effects. Impacts that occur not only on the allotment of land, but also occur impacts on people who are in the area. The farming community should be ready to become an industrial society with different characteristics.

This study simply take the problem as follows:

- 1) How is the development economic aspects in the period 1981-2015 in Bekasi District associated with the presence of industrial areas ?;
- 2) How about the social aspect in the period 1981-2015 in Bekasi District associated with the existence of an industrial area ?.

2. LITERATURE

The purpose of the construction of industrial zones is as follows (PP No. 24 of 2009): Control of space utilization, increased efforts industrial development of environmentally

sound, accelerate the industrial growth in the area, improve the competitiveness of the industry, improve the competitiveness of the investment, and to ensure the location in the planning and infrastructure development, coordinated across sectors. Of purpose industrial estate development was stated that one of the objectives of industrial estate development is increasing efforts of environmental sound industrial development. But liabilities of the industrial area there is no mention of the need to maintain and improve environmental quality. Environmental quality is not only determined by the physical environmental conditions but should be seen from the three pillars, namely environmental, economic and social. Improving the quality of the environment can be interpreted as an improvement of the economic, social and environmental. The economic impact of the presence of an industrial area, it can be seen from the increase in people's income in general. Changes in income is commonly seen from the GDP in the region. The existence of the industrial area is expected to provide a multiplier effect for the surrounding area.

Development of industrial estates which now applies only to unite or gather nearly the same industry in a location which is intended for industry, and did not consider the interrelationships between industries (Djajadiningrat, 2004). The industrial area built by collecting a number of industries at a single site, without seeing the linkage of production especially the synergy between industrial materials and energy. For example in the industrial zones in Bekasi District. There are at least seven industrial zones in the district (Figure 3), whereas it is known that Bekasi District is one of the districts with agricultural area irrigated by a network of irrigation from Jatiluhur. Industrial estate development is indeed contribute to the economy of Bekasi District, but keep in mind that the development of this industrial region has changed society Bekasi District which was previously agricultural society into an industrial society.



Figure 3. Distribution of the Industrial Zone Located in Bekasi District

The development of the industry will be followed by a number of companies that will try in the region. This poses a huge employment opportunity and certainly will increase the income of society as a whole. Job opportunities are available these should be used by the people of the district to increase revenue and will ultimately drive the economy of the district. The development of the economic aspect is seen not only from employment but also can be seen from the GDP growth, the development of export-import and production development and agricultural land that competed in the utilization of land by industry. The economic development of the people of course will affect the social conditions of society. The development of increasingly high number of residents with migrants, who finally decided to settle in Bekasi District will improve living facility needs such as education.

3. RESEARCH METHODS

This research is beginning to primary research on the effect of the existence of an industrial area. This initial research using secondary data from the Central Bureau of Statistics Bekasi District. The data collected comes from

Bekasi District Data from 1981 to 2015. The period of the data used by the consideration that the data before and after the industrial area can be obtained. The development of industrial areas generally occur during that period. The data collected will be analyzed to see trends, and conditions of economic and social aspects of the existence of an industrial area. The analytical tool used is descriptive analysis of existing data to see the development over the period specified.

4. RESULTS AND DISCUSSION

4.1. Economic aspects

1. Work Force

The labor force in the Bekasi District from 1985 to 1997 showed an increase, but after 1997 decline around 2008 but then increased back and declined. This is in accordance with the macro-economic conditions, that in 1997, Indonesia is experiencing a crisis caused many industry into bankruptcy. If you look at the growing amount of labor that works, it appears that fluctuations in the macro-economic conditions are not too visible impact. This illustrates the condition that the number of labor origin Bekasi district less sensitive to fluctuations in macroeconomic conditions. It becomes the cause can be due to the manpower needs of industry fulfilled by labor from outside the area, so the labor of Bekasi district only a few are able to meet the employment opportunities. The development of the workforce, the amount of labor that works and what does not work is shown Figure 4 below.



Figure 4. Work Force Development, Labor and Do not Work in Bekasi District, 1985-2013

2. Harvested Area and Production of Rice

Bekasi District is one of the rice-producing districts mainly rice paddy. Jatiluhur dam irrigation of water sufficient for the fields in this district. The development of rice area in Bekasi District shown Figure 5.

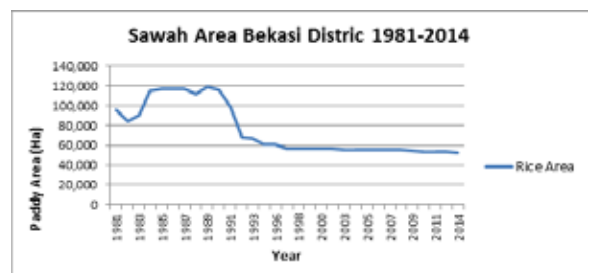


Figure 5. Development of Rice Production in Bekasi District, 1981-2013

From Figure 5 shows that the rice area in Bekasi District decreased especially between 1991 and 2014. There seems to be a tendency to decline in the future. If seen the level of rice production in Bekasi (Figure 6) fluctuations but has yet to show a declining trend except once in 2011.

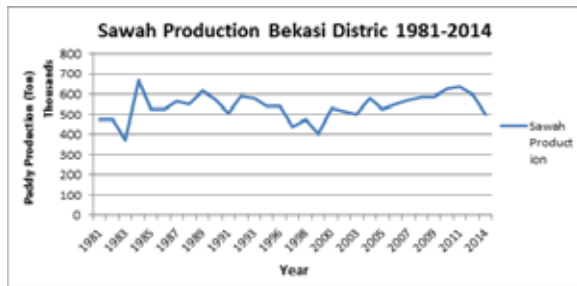


Figure 6. Production of Rice Bekasi District Year 1981-2014

3. Business Developments

Industry department is the location that is intended for industry to implement the production process. In the period 1988 to 2013 a significant increase in the number of companies located in Bekasi District. This will probably continue considering the industrial area in the district continues to grow and grow. The number of companies included in the data of this company is the medium and large companies. The existence of large enterprises will certainly encourage the establishment of small and medium-sized companies that support major companies.

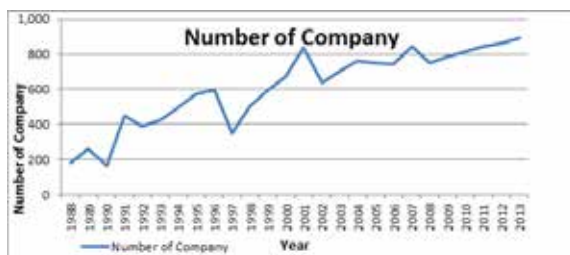


Figure 7. The progress of the Company in Bekasi Regency Year 1988-2013

4. Export – Import

The number of companies which exist in Bekasi District was not followed by an increase in the number of export in the same period of the year. The amount of export of Bekasi District decreased drastically in the years 2006-2008 and, subsequently stabilized at a low level. Import different magnitude, which since the beginning of the period 1996 to 2014 remained stable at a low level. This shows that the existing company in Bekasi District is export-oriented, but decreased significantly starting in 2006. The amount of import does not fluctuate and are at low levels because the company uses materials from import but not dominant.

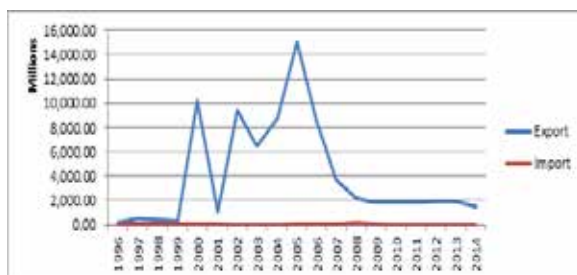
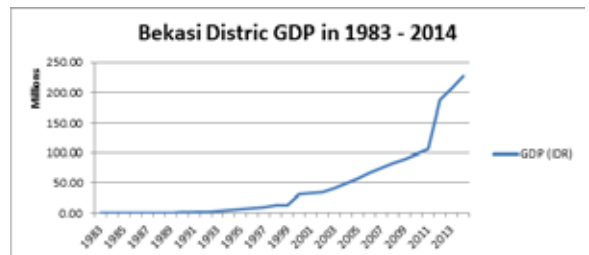


Figure 8. Development of Export and Import in Bekasi Regency Year 1996-2014

5. Gross Domestic Product.

GDP development in Bekasi District shows a very good trend. The increase occurred every year with the increase being more significant. Of growth in the economy, it shows a very good thing. Regional development industry provides a good impact for the economy Bekasi District.

Figure 9. Development of GDP Bekasi District Year 1983-2013



4.2. Social aspects

1. Population

There is an interesting development on the number of residents in Bekasi District. In about the year 1989/1991 there was an increase in population and a decline in 1996/97 and in 1998 again increased. Increasing population in 1989 due in 1988 began construction Jababeka industrial estate has created not only the industry but also housing for workers in the industry. High employee needs and the availability of housing is required, making many residents who moved to Bekasi District. But the economic crisis in 1997 has made many companies to close, especially companies that have a high cost component for materials purchased using foreign currencies, especially the USD. The displacement of the population out of Bekasi District. The economic conditions have improved, making business activity increased again and followed an increase in labor / residents in Bekasi District. Figure 10 below illustrates the development of the number of residents in Bekasi District years 1981-2015.

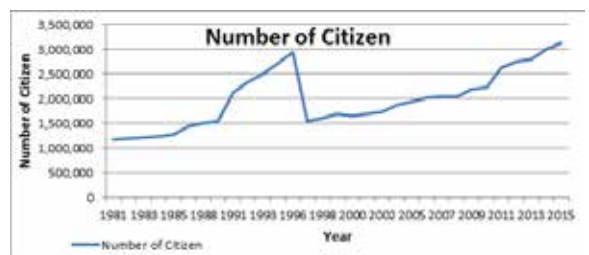


Figure 10. Total Population Development of Bekasi Regency Year 1981-2015

The increase followed the increase in housing construction in Bekasi District. Figure 11 displays the development of the number of houses built in Bekasi District years 1981-2011

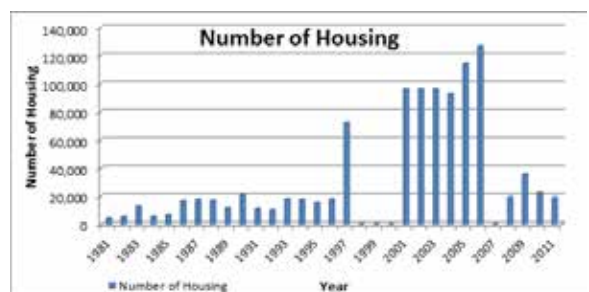


Figure 11. Development of Houses in Bekasi Regency Year 1981-2011

2. Development of Educational Facilities

The manufacturing company will certainly be very much in need of manpower younger (fresh graduates). Employment in the interval of productive age will build the household and the family will develop. The presence of the children of the family

raises the need for adequate educational facilities. The number of elementary school, junior high and high schools and Universities began high. Figure 12 displays the development of the number of elementary, junior high, high school and university existing in Bekasi Dsitrict.

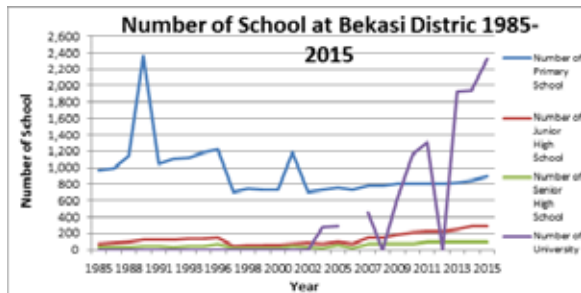


Figure 12. The progress of schools in Bekasi Regency Year 1985-2015

From Figure 12 shows that number primary school, junior and senior high schools has increased from year to year. The number of colleges that fluctuated. This is because before the establishment of the college in Bekasi District was originally a remote campus, not the main campus. Thus some campuses if does not meet the number of students could be shut down.

5. Conclusion.

From the discussions that have been presented in section 4 can be made the following conclusion:

1. The development of the economic aspect demonstrated by the development of the total labor force that is not followed by an increase in the number of people working.
2. Paddy growing area in decline, but the rice production at levels relatively fixed.
3. The number of companies in Bekasi District is increasing but increasing exports fell and imports remained at the same level.
4. The increase in GDP from year to year is quite significant.
5. The number of population has decreased and the increase because of the fluctuation of the macro economic conditions.
6. Increase the number of housing construction is likely to increase in spite of the fluctuating number of people
7. The development of educational facilities continues to increase.

6. Suggestions

The floating industrial area should be extremely attention to social and environmental aspects that sustainable economic benefits can be obtained.

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